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FISCAL IMPACT STATEMENT

LS 6513

BILL NUMBER: HB 1375

NOTE PREPARED: Feb 26, 2003

BILL AMENDED:

SUBJECT: High school diploma program.

FIRST AUTHOR: Rep. GiaQuinta

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill provides that a veteran of the Korean Conflict or the Vietnam Conflict who left a public or nonpublic high school without graduating in order to perform military service may receive a high school diploma.

Effective Date: July 1, 2003.

Explanation of State Expenditures: *Summary:* Under the bill, the Department of Education would incur expenditures to produce additional diplomas for Korean and Vietnam Veterans, and the Department of Veterans' Affairs would incur additional administrative responsibility to verify the eligibility of veterans from the Korean and Vietnam conflicts. The fiscal impact to state expenditures is currently indeterminable.

Diploma Cost: The total cost to produce a veterans diploma under P.L.127-2002, is approximately \$2.79. Since the passage of P.L. 127-2002, the Department of Education and Department of Veterans' Affairs has approved 110 applications, with further approvals pending.

Background: Under P.L.127-2002, World War I and World War II veterans that dropped out of high school in order to enlist in the Armed Forces of the United States are eligible to be awarded an honorary high school diploma.

Projections from the United States Department of Veterans' Affairs indicate that approximately 236,000 veterans from the Korean and Vietnam conflicts are living in Indiana. Assuming that all officers had a high school diploma and would not be eligible for this program, the number would be reduced. It is estimated that 11,000 officers that served in these conflicts are living in Indiana today. Removing the officers would reduce

the number to 225,000. Removing those enlisted veterans that served in Vietnam, Korea, and WW II would reduce the estimate by approximately 2,100 to 222,900.

According to data from the 1970-71 to 1974-75 school years, the average dropout rate for Indiana high school students during this time period was approximately 20.4%. (State dropout data for all years of the Vietnam conflict and the Korean conflict are not available.) Assuming that this rate applies to all Vietnam and Korean War Veterans, 45,500 veterans would remain. However, other conditions, including leaving high school to join the Armed Forces of the United States, may not have been met by some of the remaining number of veterans, which would further reduce the eligible number.

There could be additional veterans living out-of-state that left an Indiana high school to enter the Vietnam or Korean conflicts that may qualify. There may also be veterans living in Indiana that attended an out-of-state high school.

Explanation of State Revenues:

Explanation of Local Expenditures: *Summary:* If a school corporation holds a veteran diploma ceremony, the school corporation would incur additional costs, unless the ceremony is held concurrent with other school activities such as commencement.

Explanation of Local Revenues:

State Agencies Affected: Department of Education; Department of Veterans Affairs.

Local Agencies Affected: School corporations.

Information Sources: Steve Meskin, Office of the Actuary, Office of Policy and Planning, U.S. Department of Veterans' Affairs, (202) 273-5062; Terry Spradlin, Indiana Department of Education, (317) 232-6671.

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